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The L.A. Art Boom

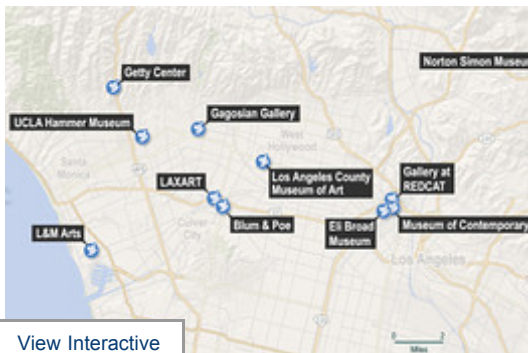
How pomegranate-juice magnates, billionaire museum builders and celebrity-packed boards are turning the city into a world-class art center

By LAUREN A. E. SCHUKER

On a crisp evening on Wilshire Boulevard, pop star Christina Aguilera is leading the parade down the red carpet. Tom Hanks and his wife follow, along with actor James Franco, reality TV fixtures Nicole Richie and Kim Kardashian, Disney Chief Executive Robert Iger and Hollywood power broker David Geffen.

They aren't here for a film premiere. The crowd is celebrating the opening of a new building at the Los Angeles County Museum of Art, the Lynda and Stewart Resnick Exhibition Pavilion, named after the Fiji Water and POM Wonderful billionaires who donated \$45 million to LACMA in 2008.

The L.A. Art Boom



[View Interactive](#)

The \$54 million structure, designed by Renzo Piano, the go-to architect for major museum commissions, is the latest symbol of Los Angeles's art boom.

It's an art world with its own unique structure and rules. Billionaires don't just donate to museums, they build their own. Hollywood agents, media personalities and studio executives pack museum boards, alongside traditional philanthropists. And contemporary art—a market that's fluctuated wildly in recent years—is the only art that really matters to many top collectors and museums.

New art buildings are springing up around the city.

LACMA has added about 100,000 square feet of gallery space since 2007 and increased attendance by 50% to 905,000. Nearly 7 miles away is the site of a new museum that art collector Eli Broad is creating to display pieces from his collection of 2,000 artworks. Art dealer Larry Gagosian has doubled the size of his Beverly Hills art gallery and recently bought a midcentury-modern glass house once owned by Gary Cooper for \$15.5 million in nearby Holmby Hills, where he will host an art party to coincide with next year's Academy Awards.

The Los Angeles Power List



"L.A. is more than catching up to New York—in some ways, it's moving past it," says Agnes Gund, a prominent New York-based art collector who used to run the board of trustees at New York's Museum of



Modern Art and served on the board of Los Angeles's J. Paul Getty Trust for 12 years until 2006.

In June, Jeffrey Deitch, one of New York's most powerful gallery owners, relocated to Los Angeles to become the director of the city's Museum of Contemporary Art, a rare move from the private art-dealing sphere to the museum world. The owners of the Armory Show, New York's largest art fair, are putting

together a major art fair to debut in downtown L.A. next fall.

"The art world is a very fluid place, but there is no question that L.A. is very hot at the moment," says Glenn Lowry, the director of the Museum of Modern Art in New York.

To be sure, L.A.'s transformation into a world-class contemporary art city is an overnight sensation several decades in the making. It has long been bolstered by rich cultural institutions like the museums of the J. Paul Getty Trust, and by its leading art schools. The city still doesn't possess the extensive collections of older art found in New York, Paris and London, but it does boast a cadre of notable contemporary artists and powerful collectors.

Boards of Trustees

A list of board of trustee members of Los Angeles museums.

TRUSTEE	MUSEUM
William H. Ahrensman	Los Angeles County Museum of Art
Wallo Aronberg (retired artist)	Los Angeles County Museum of Art
Frank E. Barker	Los Angeles County Museum of Art
Willow Bay	Los Angeles County Museum of Art
Colleen Bell	Los Angeles County Museum of Art
William J. Bell	Los Angeles County Museum of Art
Rosecka Bekkegrun	Los Angeles County Museum of Art
Neville Berggrun	Los Angeles County Museum of Art
David C. Bohnett	Los Angeles County Museum of Art
Suzanne Deal Booth	Los Angeles County Museum of Art
Brighton Bran	Los Angeles County Museum of Art
Gabriel Brenner	Los Angeles County Museum of Art
Eve Chow	Los Angeles County Museum of Art
Ann Colgin	Los Angeles County Museum of Art
Kelly Day	Los Angeles County Museum of Art
Joshua S. Friedman	Los Angeles County Museum of Art
Camille Chandler Frost	Los Angeles County Museum of Art
Andrew Gordon	Los Angeles County Museum of Art

One of the most active figures in the art scene is Mr. Broad, the 77-year-old billionaire who revived MOCA in 2008 with a \$30 million infusion after it teetered on the edge of a financial crisis. In August, Mr. Broad announced that he would build a museum in downtown Los Angeles to display works from his art collection, which includes a 22-foot-tall Richard Serra torqued ellipse and a nearly 12-foot-high Jeff Koons balloon sculpture. Designed by architects Diller, Scofidio + Renfro, the museum, called the Broad Collection, will boast 36,000 square feet of gallery space—more than the entire Whitney Museum in New York. A spokeswoman for Mr. Broad said that the new museum will help make his works accessible to the largest possible audience.

Building a museum of one's own is also in keeping with local tradition. In the past few decades, private collectors like industrialist Norton Simon and petroleum magnate Armand Hammer have opened some of the area's most prominent museums—long after families like Whitney, Frick and Morgan launched a golden museum era in New York.

The directors of L.A.'s museums have been moving aggressively to tap into the wealth of collectors in the entertainment and tech industries. These days their boards look quite different from those of their New York counterparts, which are largely composed of traditional philanthropists and established financiers.

Since Michael Govan moved from New York's Dia Art Foundation in 2006 to take over Lacma, he has added 30 trustees to the now-49-voting-member board, transforming its makeup with new additions like Dasha Zhukova, the girlfriend of Russian oil billionaire Roman Abramovich; fashion designer and restaurateur Eva Chow, and David Bohnett, the Internet entrepreneur who created GeoCities.com. He has also added Willow Bay, the newscaster wife of Mr. Iger, and Terry Semel, former head of Warner Bros. and Yahoo.

Maria Bell, the head writer of the daytime soap opera "The Young and the Restless," became co-chair of

MOCA's board of trustees last summer and immediately began working with Mr. Broad to recruit new members. MOCA has added 19 new trustees since December 2008, including London diamond dealer and art collector Laurence Graff and newsprint mogul Peter Brant, who lives in Greenwich, Conn. Last year, MOCA raised more than \$4 million from a gala where Lady Gaga performed. Next month, it will host another gala, curated—down to the food—by video artist Doug Aitken with contributions from musicians Beck, Caetano Veloso and Devendra Banhart.



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(Johns) "Flag," 1967 copyright Jasper Johns/VAGA, The Eli and Edythe L. Broad Collection

Eli Broad at home in L.A.

Ann Philbin, who moved to the city a little over a decade ago to run UCLA's Hammer Museum, took in just over \$100,000 at the museum's 2002 fund-raiser. Now, the event raises more than \$1 million each year. Her board of overseers numbers five executives from major talent agencies, including Bob Gersh of the Gersh Agency and William Morris Endeavor Entertainment's George Freeman, who represents Catherine Zeta-Jones and Russell Crowe.

In the auction world, Christie's says consignments from the Los Angeles region have tripled in the past year. Next month, Christie's plans to auction three major L.A. estates, including those of actor Dennis Hopper and art

dealer Robert Shapazian, a collector of Marcel Duchamp and Andy Warhol who helped Mr. Gagosian build the L.A. outpost of his gallery. This past spring, the auction house sold the estate of "Jurassic Park" author Michael Crichton for \$93.3 million, including a flag painting by Jasper Johns that sold for more than \$28 million. Some in L.A.'s art world have complained that collectors here are more likely to have their estates auctioned off than to bequeath them to museums.

Marc Porter, chairman of Christie's Americas, says he used to travel L.A. three or four times a year to pay visits to clients. In the past year, he flew here twice as often. "After Manhattan, L.A. is my top priority," Mr. Porter says.



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Amanda Friedman for The Wall Street Journal

Lacma's Resnick Pavilion

Still, Los Angeles has yet to develop its own auction scene. After opening a salesroom in Beverly Hills in 1997, Christie's closed the outpost two years ago, finding that its auctions there weren't generating significant revenue. Now, it focuses on consigning works from L.A. collectors to sell at its other salesrooms.

"Rather than putting together a \$5 million sale twice a year, it made more business sense to nurture collectors and go after \$50 million worth of art to sell elsewhere in the world," says Andrea Fiuczynski, president of Christie's, Los Angeles.

Los Angeles collectors overwhelmingly focus on contemporary art, and the city's art scene owes much of its rapid ascent to the upswing of prices for the genre, which soared during the art market's boom years. In 2000, Sotheby's sold \$157.8 million worth of contemporary art world-wide. That figure rose to \$1.48 billion by 2008 before falling to \$442.8 million in 2009, after the art market crashed. Prices are now stabilizing, although industry experts say that they likely won't return to astronomical precrash levels.

The volatility of the contemporary art market—as well as the overall economy—shook up some institutions in L.A., in particular MOCA. MOCA's 2008 federal tax returns showed that the museum had

drained about \$24 million of its reserves to cover operating expenses after a spate of overspending. It was saved by Mr. Broad's donation.



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Amanda Friedman for The Wall Street Journal

A Nancy Rubins sculpture outside MOCA

Still, as prices for contemporary art rose, so did the value of art created by many of the elder statesmen of L.A.'s art scene. Pop artist Ed Ruscha, a MOCA trustee known for his deadpan images of parking lots, gas stations and L.A. architecture, now sells pieces for \$3 million to \$6 million at auction; he didn't come close to crossing the \$1 million barrier before 2002. Works by John Baldessari, a conceptual artist and former UCLA instructor whose signature style includes overlaying historical images with opaque colored dots, now fetch more than \$1 million.

The city also boasts an ascendant community of younger artists, many of whom came to Los Angeles for the city's art schools. Michigan-born Mike Kelley moved to L.A. to attend the California Institute of the Arts, where he studied with Mr. Baldessari, and decided to stay on. Now his pieces, from comic-book-style drawings to sculptures that incorporate found objects like plush toys, are shown in museums like MoMA and the Whitney in New York.

"You cannot talk about contemporary art today without taking into account what is happening in L.A.," says MoMA's Mr. Lowry.

L&M Arts, a blue-chip Manhattan gallery that sells work by artists from Picasso and Matisse to Warhol and Rothko, opened its first Los Angeles space last month on Venice Boulevard, a central thoroughfare in L.A.'s beach neighborhood. It was a big shift for a gallery that in New York resides in a classic-looking townhouse on the Upper East Side.



"In New York, we largely did prestigious historical shows, but we wanted to be more involved with living artists," says Robert Mnuchin, a former Goldman Sachs banker who co-owns L&M. So far, the gamble has paid off: Within a week, all the Paul McCarthy sculptures on view at its inaugural exhibition were snapped up. The sculptures cost between \$2 million and \$5 million apiece.

Matthew Marks, another New York dealer, plans to follow suit. Mr. Marks, who last year purchased a house in the Hollywood Hills to accompany his new gallery space, says many artists on his roster—which includes Ellsworth Kelly, Peter Fischli and David Weiss—rarely showed their work in L.A. in the past and now seek more exposure there.

Veteran L.A. dealers Timothy Blum and Jeff Poe say they have also profited from the explosion of demand.



Amanda Friedman for The Wall Street Journal

MOCA director Jeffrey Deitch and artist Doug Aitken at Mr. Aitken's Venice Beach studio.

The duo opened their 500-square-foot gallery, Blum & Poe, in 1994. "Back then, there was no market here to speak of," says Mr. Blum. "The change has been tectonic." Blum & Poe currently occupies a 22,000-square-foot building in Culver City.

While contemporary art is booming, other sectors still lag behind. That is why Lacma's Mr. Govan, after a spate of building projects and contemporary acquisitions, has branched out to areas like costumes, Oceanic arts and tribal art.

"We're done growing," Mr. Govan says. "We've done the quantity. Now it's about quality."

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